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Turkey

Tree Nuts

Turkish Hazelnut Prices Soar 2004

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Report Highlights:

Turkish 2004 hazelnut prices are the highest in recent memory and almost 3 times higher than 2003. Hazelnut procurement is running at one-third of 2003. Export prices have also risen to \$7000 a ton.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Ankara [TU1]
[TU]

FISKOBIRLIK began procuring hazelnuts from the 2004 crop on August 20. As of December 7, it had procured 16,591 MT of hazelnuts and paid TL 73.5 trillion (about USD 51 million). This is three times the amount paid during the previous year. In 2003, FISKOBIRLIK procured 47,110 MT of hazelnuts and paid TL 76 trillion (about USD 46 million). The 2004 procurements were the lowest in recent memory. Although 2003 was a poor crop, 2004 was even worse.

Procurement is continuing at 50 cooperative areas and by 50 procurement teams. All payments to growers have been completed. FISKOBIRLIK is paying TL 5,250,000 per kilogram of Giresun type, TL 5,050,000 per kilogram for Levant type, and TL 4,750,000 per kilogram for pointed type hazelnuts, all gross. These prices are before taxes and commissions. Farmers receive around nine percent less than the announced prices. Farmers will receive around TL 4,600,000 or TL 4,650,000 per kilogram for Levant varieties, which is the most common type of hazelnuts grown. Private traders are currently paying slightly less than this amount, about TL 4, 550,000,000 per kilogram for Levant varieties.

Industry sources do not expect the total quantity of FISKOBIRLIK's procurement to exceed 20,000 MT by the end of season. FISKOBIRLIK is expected to export its stocks till April in order to cover its costs. The cost of shelled natural roasted hazelnuts for FISKOBIRLIK is about USD 7 per kilogram.

Export prices for shelled hazelnuts are around \$7000 per ton. Demand in Europe for this short crop is boosting prices.